

CT 03A 20080122 - 579

AGREEMENT FOR PHARMACY SERVICES

KENNEBEC COUNTY JAIL

July 2008

This Agreement is made and entered into this 1st day of ~~June~~ 2008, by and among Kennebec County, of which Kennebec County Jail is a subdivision ("Kennebec County Jail"), Maine Department of Corrections ("MDOC"), and Correct Rx Pharmacy Services, Inc., located at 803-A Barkwood Court, Linthicum, Maryland, 21090 ("Correct Rx"), for the period July 1, 2008, to June 30, 2009. Kennebec County Jail, MDOC, and Correct Rx are hereinafter collectively referred to as the "Parties" (individually, as a "Party").

RECITALS

WHEREAS, MDOC and Correct Rx are parties to an "Agreement to Purchase Services" dated January 11, 2007 (the "Original Contract"), pursuant to which Correct Rx provides medications and pharmacy-related services to MDOC-operated correctional facilities for the benefit of prisoners at those facilities; and

WHEREAS, on June 19, 2008, MDOC and Correct Rx entered into a renewal of the Original Contract (the "First MDOC Renewal"); and

WHEREAS, the Parties entered into an "Agreement for Pharmacy Services" dated January 27, 2007, pursuant to which Kennebec County Jail obtains medications and pharmacy-related services from Correct Rx under essentially the same terms and conditions as set forth in the Original Contract for the benefit of prisoners at the Kennebec County Jail; and

WHEREAS, Kennebec County Jail wishes to continue to purchase medications and pharmacy-related services for the benefit of prisoners at the Kennebec County Jail, and Correct Rx wishes to continue to provide Kennebec County Jail such medications and pharmacy-related services, under essentially the same terms and conditions as set forth in the Original Contract and First MDOC Renewal; and

WHEREAS, MDOC wishes to assist Kennebec County Jail and Correct Rx in entering into an agreement for the provision of medications and pharmacy-related services under essentially the same terms and conditions as set forth in the Original Contract and First MDOC Renewal.

NOW, THEREFORE, in consideration of the mutual benefits and covenants described herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

1. Initial Acknowledgements of Kennebec County Jail and Correct Rx. Kennebec County Jail and Correct Rx recognize, acknowledge and agree that nothing in this Agreement affects the contractual obligations of Correct Rx to MDOC or of MDOC to Correct Rx under the terms of the Original Contract and First MDOC Renewal.
2. Duties and Responsibilities of Correct Rx. Except as otherwise provided in this Agreement, (i) Correct Rx shall provide to Kennebec County Jail all services specified in the Original Contract and First MDOC Renewal, substituting in all instances "Correct

Rx" for "Provider" and "Kennebec County Jail" for "MDOC," the "Department," or the "State"; and (ii) in providing services to Kennebec County Jail under this Agreement, Correct Rx shall be bound by all the terms and conditions specified by the Original Contract and First MDOC Renewal, as modified by this Agreement, substituting "Correct Rx" for "Provider" and "Kennebec County Jail" for "MDOC," the "Department," or the "State."

3. Duties and Responsibilities of Kennebec County Jail. Except as otherwise expressly provided by this Agreement, Kennebec County Jail (i) shall have the duties and responsibilities imposed on MDOC by the Original Contract and First MDOC Renewal; and (ii) shall be bound by all the terms and conditions specified by the Original Contract and First MDOC Renewal, as modified by this Agreement, substituting "Kennebec County Jail" for "MDOC," the "Department," or the "State," and "Correct Rx" for "Provider."
4. Duties and Responsibilities of MDOC. MDOC's sole obligations under this Agreement shall be to receive from Correct Rx copies of monthly invoices sent by Provider to Kennebec County Jail. This Agreement shall not, expressly or impliedly, create any other duties or responsibilities on the part of MDOC.
5. MDOC not Liable. Correct Rx and Kennebec County Jail understand and agree that although MDOC is a party to this Agreement, neither MDOC, the State of Maine, nor any official or employee of the State of Maine shall have any liability or responsibility to Correct Rx, Kennebec County Jail, or any other person or entity for any and all claims, losses, injuries, damages, or expenses arising out of the terms, operation, or implementation of this Agreement, including but not limited to any act or omission relating to the duties and responsibilities imposed on MDOC by section 4 above. Without limiting in any way the foregoing, MDOC specifically shall not be liable or responsible to Correct Rx for any failure by Kennebec County Jail to make payments to Correct Rx under this Agreement or otherwise to satisfy the terms and conditions of this Agreement, and shall not be liable to Kennebec County Jail for any failure by Correct Rx to comply with the terms and conditions of this Agreement.
6. Indemnification. Correct Rx and Kennebec County Jail shall indemnify, defend, and hold MDOC, its employees, and agents harmless from and against any claims against MDOC, its employees and agents, based on any acts or omissions arising out of the obligations established by, or the services provided pursuant to, this Agreement. This indemnification shall be capped at the current State tort claim limit of \$400,000. This indemnification shall not waive any tort claim or civil rights claim immunity defense otherwise available under the Maine Tort Claims Act or any other law.
7. Term and Commencement. The term of this Agreement is twelve (12) months, beginning July 1, 2008, and ending June 30, 2009. Correct Rx shall commence furnishing services only after (i) the State Controller and the State Purchases Review Committee have approved this Agreement, and (ii) MDOC gives Correct Rx written notification to proceed.

8. Termination. Notwithstanding the provisions of the Original Contract and First MDOC Renewal:

- a. Correct Rx may terminate this Agreement, without cause, upon 120 days prior written notice. Termination of this Agreement by Correct Rx shall not result in termination of, and shall have no effect on, the Original Contract or First MDOC Renewal.
- b. MDOC or Kennebec County Jail may terminate this Agreement at any time. Termination of this Agreement by MDOC or Kennebec County Jail shall not result in termination of, and shall have no effect on, the Original Contract or First MDOC Renewal.

Kennebec County Jail reserves the right to purchase medications from a source other than Correct Rx. If Kennebec County Jail elects to terminate this Agreement and purchase medications from a source other than Correct Rx, Correct Rx shall ensure that at the time of termination of this Agreement there is at least a 30 days' supply of prescription and non-prescription medications at the Kennebec County Jail.

- c. If Correct Rx serves upon MDOC written 120-day notice of termination of the Original Contract as provided in Rider C, Section 1, of the Original Contract, (i) that notice shall also serve as notice of termination of this Agreement, effective on the same date, and (ii) Correct Rx shall serve concurrently upon Kennebec County Jail a copy of the 120-day notice of termination of the Original Contract.
- d. If MDOC notifies Correct Rx that it is terminating the Original Contract as provided in Rider C, Section 1 of the Original Contract, (i) that notice shall also serve as notice of termination of this Agreement, effective on the same date, and (ii) MDOC shall serve concurrently upon Kennebec County Jail a copy of the notice of termination of the Original Contract.

9. Agreement Amount. The "Contract Amount" that appears on page 1 of the First MDOC Renewal shall remain unchanged as a result of the Parties' execution of this Agreement. The total estimated payment that Kennebec County Jail shall make to Correct Rx as a result of this Agreement is One Hundred Eighty Thousand Dollars and No Cents (\$180,000.00). Correct Rx shall submit, by the 10th of each month, to Kennebec County Jail an invoice for the actual costs for the preceding month and Kennebec County Jail shall make monthly payments to Correct Rx by the 20th of each month.

10. Agreement Administrator for Kennebec County Jail. The Jail Superintendent of Kennebec County Jail shall be the Agreement Administrator for Kennebec County Jail during the term of this Agreement for purposes of implementation of the Agreement and oversight of services provided pursuant to the Agreement.

11. Formulary. Correct Rx's formulary for prisoners at the Kennebec County Jail shall be the same as the formulary utilized by Correct Rx in providing medications and services to MDOC under the Original Contract and First MDOC Renewal.
12. Accreditation and Compliance. Provider shall work cooperatively with Kennebec County Jail to secure NCCHC and ACA accreditation, as well as compliance with MDOC Jail Standards with respect to the medication component of the health delivery system.
13. Notices. All notices and requests by a Party, unless jointly agreed to otherwise in writing, shall be in writing and shall be delivered by certified mail, return receipt requested, or by guaranteed overnight delivery service, to the correct address of the Parties to the Agreement. A Party shall give the other Parties prompt written notice of any change of address. Notices to be served on Kennebec County Jail shall be sent or delivered to Jail Administrator, Kennebec County Jail, 115 State Street, Augusta, Maine 04330. Notices to be served on MDOC shall be sent or delivered to Commissioner, Department of Corrections, State House Station #111, Augusta, Maine 04333-0111. Notices to be served on Correct Rx shall be sent or delivered to President, Correct Rx Pharmacy Services, Inc., 803-A Barkwood Court, Linthicum, Maryland 21090.
14. Performance Bond. For purposes of this Agreement, Correct Rx shall not be required to file a performance bond in addition to that required by Rider A, Section VI(C) of the Original Contract.
15. Insurance. For purposes of this Agreement, Correct Rx shall not be required to purchase or maintain Professional Liability Insurance in addition to that required by Rider B, Section 21, and Rider C, Section 3 of the Original Contract. However, at or before the effective date of this Agreement, Correct Rx shall submit to the Agreement Administrator for MDOC and the Agreement Administrator for Kennebec County Jail written proof that the insurance coverage maintained by Correct Rx pursuant to Rider B, Section 21, and Rider C, Section 3 of the Original Agreement provides the same limits of coverage for Correct Rx and Correct Rx's staff for claims and losses arising out of Correct Rx's furnishing of services and medications to Kennebec County Jail under this Agreement.
16. Rider G. The Parties agree that Rider G ("Provision of Contract Services by Foreign Nationals or Work Performed Abroad"), attached hereto, is hereby incorporated in this Agreement and made a part of it by reference.
17. Exhibit. The following exhibit, attached hereto, is hereby incorporated in this Agreement and made part of it by reference:

Exhibit 1 – Correct Rx Corporate Resolution

[Remainder of page left blank intentionally; signatures begin on next page]

IN WITNESS WHEREOF, the Parties, by their duly authorized representatives, have executed this Agreement in six (6) original copies.

Kennebec County

By: Nancy Rines
Nancy Rines
Its: Chair, Board of Commissioners

Department of Corrections

By: Denise V. Lord
Denise V. Lord
Its: Associate Commissioner

Correct Rx Pharmacy Services, Inc.

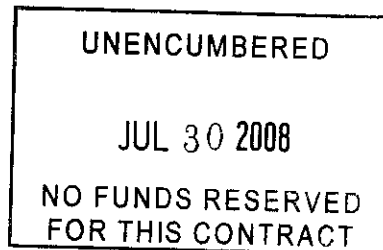
By: Ellen H. Yankellow
Ellen H. Yankellow
Its: President and CEO

Total Agreement Amount: \$180,000.00

Approved: _____

State Controller

Betty M. Lamoreaux JUL 30 2008
Chair, State Purchases Review Committee



RIDER G
IDENTIFICATION OF COUNTRY
IN WHICH CONTRACTED WORK WILL BE PERFORMED

Please identify the country in which the services purchased through this contract will be performed:

- ☐ **United States. Please identify state: ME**
- ☐ **Other. Please identify country: _____**

Notification of Changes to the Information

The Provider agrees to notify the Division of Purchases of any changes to the information provided above.

SECRETARY'S CERTIFICATE

I, Jill R. Molofsky, do hereby certify that I am Secretary of Correct Rx Pharmacy Services, Inc. (the "Corporation"), and that, as such, I am authorized to execute this Certificate on behalf of the Corporation, and further certify that:

- 1.) Exhibit A attached hereto is a true and correct copy of a resolution duly adopted by unanimous written consent by the Board of Directors of the Corporation; such resolution was filed with the minutes of the proceedings of such Board; and with respect to the Corporation, such resolutions are in full force and effect and have not been rescinded or modified in any manner.

IN WITNESS WHEREOF, I have executed this Certificate this 9th day of July, 2008.

[Signature of Secretary]

[Typed name of Secretary] Jill R. Molofsky

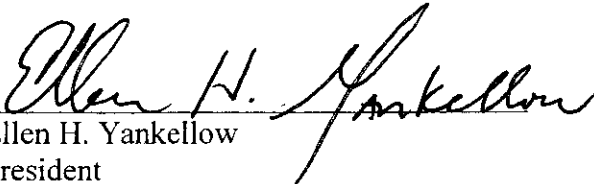
Exhibit A

AUTHORIZATION TO CONTRACT

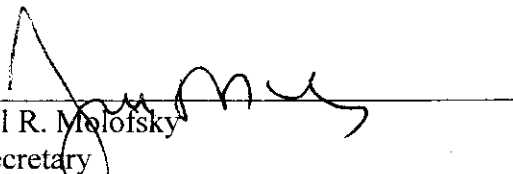
RESOLVED, that the president, Ellen H. Yankellow, is authorized and empowered to negotiate, enter into and execute, for and in the name of the Corporation, any and all agreements, contracts and other instruments relating to the business of the Corporation with the State of Maine and Maine Department of Corrections..

RESOLVED, that each of the above-identified officers of the Corporation is authorized:

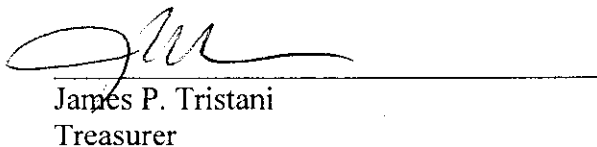
- a. to execute and deliver all additional documents that may be appropriate or desirable in connection with the foregoing; and
- b. to execute and deliver any renewal forms, amendments, extensions, transfers, or termination agreements with respect to the foregoing.


Ellen H. Yankellow
President

7/9/08
Date


Jill R. Molofsky
Secretary

7/9/08
Date


James P. Tristani
Treasurer

7/9/08
Date